

## Message Text

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TAGS: ECOSOC

SUBJ: ECOSOC 55-ITEM 4-REVIEW AND APPRAISAL

1. FOLLOWING IS RESULT OF FIRST READING OF REVIEW AND  
APPRAISAL WORKING PAPER PARAS 1 THROUGH 16:

QUOTE. WORKING GROUP ON REVIEW AND APPRAISAL

FIRST OVER-ALL REVIEW AND APPRAISAL OF PROGRESS IN THE  
IMPLEMENTATION OF THE INTERNATIONAL DEVELOPMENT STRATEGY  
FOR THE SECOND UNITED NATIONS DEVELOPMENT DECADE

### I. INTRODUCTION

IT WAS IMPLICIT IN THE VERY CONCEPT OF A BIENNIAL  
REVIEW, ACCEPTED IN 1970, THAT SUCH A REVIEW WOULD AFFORD  
AN OPPORTUNITY FOR A BROAD APPRAISAL OF PAST PERFORMANCE  
AND TO DRAW THEREFROM IMPLICATIONS FOR THE FUTURE. INFORMA-  
TION ABOUT THE EXPERIENCE OF THE FIRST TWO YEARS OF THE  
SECOND UNITED NATIONS DEVELOPMENT DECADE (1971-1972) IS,  
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AS YET, INSUFFICIENT TO ENABLE A FULL, FACTUAL AND  
COMPREHENSIVE ANALYSIS OF THE PROGRESS MADE OR SHORT-  
FALLS ENCOUNTERED, OR TO DEFINE NEW GOALS WHICH COULD CALL  
INTO QUESTION THE ONES ALREADY EMBODIED IN THE INTER-

NATIONAL DEVELOPMENT STRATEGY. AT THE SAME TIME, THE CHANGES IN QUALITATIVE PERCEPTION AND THE SUGGESTIONS FOR MODIFICATIONS OF THE PRESENT INDICATORS DO NOT JUSTIFY THE ABANDONMENT OF EFFORTS TO EVALUATE QUANTITATIVELY WHEREVER POSSIBLE. IN ANY CASE THE TASK OF REVIEW AND APPRAISAL IS NOT TO ANALYSE ISOLATED EXAMPLES OF PROGRESS OR STUDY CERTAIN INDICATORS, BUT TO ASSESS OVER-ALL TRENDS AND PROGRESS IN ACHIEVING INTEGRATED ECONOMIC AND SOCIAL DEVELOPMENT. IT IS APPARENT FROM THIS ASSESSMENT THAT THE EXPERIENCE OF THE PAST TWO YEARS REMAIN A CAUSE FOR GREAT CONCERN.

SINCE 1970, THE WORLD ECONOMY HAS EXPERIENCED A SERIES OF MONETARY CRISES WHICH HAVE HAD SEVERE REPERCUSSIONS, EXPECIALLY ON THE DEVELOPING COUNTRIES BECAUSE OF THEIR GENERALLY GREATER VULNERABILITY TO EXTERNAL ECONOMIC IMPULSES. MOREOVER, SIGNIFICANT CHANGES HAVE BEEN TAKING PLACE IN INTERNATIONAL ECONOMIC RELATIONS, PARTICULARLY AMONG THE ADVANCED COUNTRIES. AT THE SAME TIME, THE INTERNATIONAL COMMUNITY HAS BECOME VISIBLY MORE IMPRESSED WITH THE INTERDEPENDENCE OF ITS COMMON PROBLEMS AND IN PARTICULAR, WITH THE INTERDEPENDENCE OF DIFFERENT CATEGORIES OF PROBLEMS WHICH, IN THE PAST EVEN WHEN CONSIDERED, WERE ADDRESSED SEPARATELY. THE CHANGING RELATIONSHIP AMONG DEVELOPED COUNTRIES PROVIDES THE OPPORTUNITY FOR DEVISING NEW FORMS OF INTERNATIONAL COOPERATION WHICH SHOULD EMBRACE THE INTEREST OF ALL COUNTRIES AND WHICH SHOULD GIVE A SIGNIFICANT IMPETUS TO THE ECONOMIC AND SOCIAL PROGRESS OF THE DEVELOPING COUNTRIES. THE GROWING UNDERSTANDING OF THE DETERMINANTS OF THE DEVELOPMENT PROCESS SHOULD ALSO SERVE AS A HELPFUL FORCE.

HOWEVER, JUDGED IN TERMS OF INTERNATIONAL ACTION SINCE 1970, THE CAUSE OF DEVELOPMENT HAS LOST MOMENTUM. DESPITE THE ACTION TAKEN BY SOME DEVELOPED COUNTRIES, THE NET AGGREGATE FLOW OF FINANCIAL RESOURCES TO DEVELOPING COUNTRIES HAS MADE LITTLE PROGRESS TOWARDS THE TARGET SPECIFIED IN UNCLASSIFIED

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THE STRATEGY, AND THE MOST CRITICAL PORTION OF THAT TOTAL-NET OFFICIAL DEVELOPMENT ASSISTANCE AS A SHARE OF THE GROSS NATIONAL PRODUCT OF THE DEVELOPED COUNTRIES-HAS MADE VIRTUALLY NO PROGRESS AT ALL. THE TIGHT REIN EXERCISED BY MAJOR DEVELOPED COUNTRIES HAS ALSO MEANT THAT THE OPERATIONS OF INTERNATIONAL FINANCIAL ORGANIZATIONS HAVE NOT EXPANDED AS RAPIDLY AS THE DEMAND FOR THEM, THUS CREATING IN SOME CASES GRAVE DIFFICULTIES FOR COUNTRIES WHOSE NEED FOR DEVELOPMENT SUPPORT IS THE GREATEST. SOME ACTIVITIES OF SOME TRANSNATIONAL CORPORATIONS HAVE ALSO GIVEN RISE TO CONCERN IN A NUMBER OF CASES. ON THE TRADE FRONT, WHILE SOME PROGRESS WAS ACHIEVED, BOTH INNOVATIONS AND MEASURES FOR IMPLEMENTATION SINCE THE ADOPTION OF THE INTERNATIONAL

DEVELOPMENT STRATEGY HAVE NOT MATCHED EXPECTATIONS.

IN SPITE OF THE SIGNIFICANT EFFORTS MADE BY DEVELOPING COUNTRIES, THEIR AVERAGE RATE OF ECONOMIC GROWTH ACTUALLY SHOWED A DECLINE FROM THE LEVEL REACHED TOWARDS THE END OF THE PAST DECADE. THIS AVERAGE, FURTHERMORE, CONCEALS WIDE DISPARITIES IN THE RATES OF ECONOMIC GROWTH ACHIEVED BY VARIOUS DEVELOPING COUNTRIES. EVEN THE MODEST BEGINNING TOWARDS NARROWING THE GAP IN LIVING STANDARDS BETWEEN DEVELOPED AND DEVELOPING COUNTRIES, STIPULATED IN THE STRATEGY, IS NOT YET IN SIGHT.

THE DEVELOPMENT OBJECTIVE MUST BE RETURNED TO A CENTRAL PLACE, ALONG WITH PEACE AND SECURITY, IN THE CONSTELLATION OF GREAT ISSUES TO WHICH THE INTERNATIONAL COMMUNITY SHOULD URGENTLY SEEK EFFECTIVE AND CONSISTENT SOLUTIONS. THE CURRENT CLIMATE OF DETENTE CREATES GREATER OPPORTUNITY FOR DEVELOPMENT SUPPORT, THOUGH THIS ADDITIONAL SUPPORT HAS YET TO COME ABOUT. ECONOMIC AND SOCIAL PROGRESS IN THE DEVELOPING COUNTRIES WILL IN TURN PROMOTE INTERNATIONAL SECURITY.

PARTS OF THE DEVELOPING WORLD ARE STILL SUBJECTED TO COLONIALISM, RACIAL DISCRIMINATION, APARTHEID AND FOREIGN OCCUPATION, WITH HARMFUL EFFECTS ON THE DEVELOPMENT EFFORTS OF THE PEOPLES AND COUNTRIES CONCERNED.

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URGENT ACTION MUST BE TAKEN TO IMPLEMENT THE POLICY MEASURES IN THE STRATEGY WHICH HAVE NOT YET BEEN IMPLEMENTED SO FAR. IT IS ESSENTIAL THAT THE DEVELOPED COUNTRIES DISPLAY THE NECESSARY POLITICAL WILL TO ACCORD HIGHER PRIORITY TO THE IMPLEMENTATION OF THESE MEASURES SO AS TO PROVIDE A FRAMEWORK CONDUCTIVE TO THE ACCELERATED PROGRESS OF THE DEVELOPING COUNTRIES. AS PART OF THEIR PRIMARY RESPONSIBILITY FOR DEVELOPMENT, THE DEVELOPING COUNTRIES SHOULD REINFORCE THEIR VIGOROUS POLICY MEASURES.

THE CENTRAL PURPOSE REMAINS TO DIMINISH THE GROSS INEQUALITIES IN ECONOMIC DEVELOPMENT AND SOCIAL WELFARE THAT HAVE WIDENED AMONG THE NATIONS OF THE WORLD AND TO ATTACK POVERTY, PARTICULARLY IN WAYS THAT IMPROVE THE CONDITIONS OF THE POOREST GROUPS WITHIN THE POOR COUNTRIES. SUCH IS THE SPIRIT OF THE INTERNATIONAL DEVELOPMENT STRATEGY THAT THE STATES MEMBERS OF THE UNITED NATIONS ADOPTED UNANIMOUSLY IN 1970, AND THIS IS ALSO THE SPIRIT THAT SHOULD ORIENT ITS FIRST REVIEW AND APPRAISAL.

THERE ARE VERY SUBSTANTIAL COMPLEMENTARITIES AMONG

THE MAJOR GOALS AND OBJECTIVES OF THE INTERNATIONAL DEVELOPMENT STRATEGY. AGRICULTURE, WHICH IS AT PRESENT THE PREDOMINANT SECTOR OF ACTIVITY IN MOST DEVELOPING COUNTRIES AND WHICH IS CURRENTLY OF GREAT CONCERN TO MANY OF THEM, HAS TO BE EXPANDED AND MODERNIZED. THE TRANSFORMATORY ROLE OF INDUSTRY ON THE DEVELOPMENT OF AGRICULTURE, TRANSPORT AND OTHER SECTORS AND ITS ABILITY

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TO ABSORB A GREATER PROPORTION OF THE GROWING LABOUR FORCE HAS TO BE ENHANCED. DEVELOPMENT INCLUDES A MULTIPLICITY OF OBJECTIVES AND PROGRAMMES WHICH, IF PROPERLY INTEGRATED, WILL BRING ABOUT INCREASED OUTPUT AS WELL AS IMPROVEMENTS IN EMPLOYMENT, INCOME DISTRIBUTION, EDUCATION, HEALTH AND NUTRITION. MAN IS BOTH PRODUCER AND CONSUMER; HIS WELL-BEING IS BOTH A DETERMINING FACTOR AND AN END-RESULT OF DEVELOPMENT. THESE DIMENSIONS OF DEVELOPMENT REQUIRE A UNIFIED APPROACH IN PLANNING AND A POLITICAL WILL TO BRING ABOUT THE NECESSARY STRUCTURAL AND INSTITUTIONAL CHANGES IN THE LIGHT OF THE CIRCUMSTANCES PREVAILING IN THE COUNTRIES CONCERNED. THE DEVELOPING COUNTRIES THAT MAKE THESE CHANGES NEED NOT ONLY ENCOURAGEMENT BUT ALSO APPROPRIATE INTERNATIONAL ASSISTANCE.

AGAINST THE BACKGROUND OUTLINED ABOVE, THE FIRST EXERCISE OF OVER-ALL REVIEW AND APPRAISAL SHOULD BE UNDERTAKEN ON THE BASIS OF A GENERAL EVALUATION OF THE RECORD CONCERNING THE ATTAINMENT OF THE GOALS AND OBJECTIVES OF THE INTERNATIONAL DEVELOPMENT STRATEGY AND THE IMPLEMENTA-

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TION OF THE POLICY MEASURES IN THIS REGARD, IN THE LIGHT OF THE EFFORTS OF DEVELOPING COUNTRIES AND THE PERFORMANCE OF DEVELOPED COUNTRIES. THIS EXERCISE SHOULD NECESSARILY LEAD TO FURTHER DEFINING THE POLICY MEASURES NEEDED TO CARRY OUT THE PROVISIONS OF THE STRATEGY. IT COULD, MOREOVER, FACILITATE THE ELABORATION OF THE CHARTER OF THE ECONOMIC RIGHTS AND DUTIES OF STATES.

## II. GENERAL EVALUATION

### A. ATTAINMENT OF GOALS AND OBJECTIVES

THE BALANCE SHEET OF THE FIRST TWO YEARS OF THE SECOND DEVELOPMENT DECADE SHOWS THAT THE DEVELOPMENT PROBLEMS, FAR FROM BEING SOLVED, HAVE BECOME INCREASINGLY ACUTE, AND IN MANY CASES THERE HAS BEEN A SET-BACK WHEN COMPARED WITH THE SITUATION PREVAILING IN THE LATTER PART OF THE PAST DECADE. THE MAIN FEATURES OF THE RECORD CONCERNING THE ATTAINMENT OF THE GOALS AND OBJECTIVES OF THE INTERNATIONAL DEVELOPMENT STRATEGY ARE ENUMERATED IN PARAGRAPHS 12 TO 16 BELOW.

PRELIMINARY EVIDENCE -#/- SUGGESTS THAT THE AVERAGE ANNUAL RATE OF GROWTH OF THE GROSS DOMESTIC PRODUCT OF THE DEVELOPING COUNTRIES DURING THE FIRST TWO YEARS OF THE SECOND DEVELOPMENT DECADE DID NOT QUITE REACH THE ANNUAL AVERAGE OF 5.5 PERCENT RECORDED IN THE PRECEDING DECADE, AND WAS IN FACT SIGNIFICANTLY SMALLER THAN THE AVERAGE OF MORE THAN 6 PERCENT REACHED IN THE CLOSING YEARS OF THAT DECADE. THE RATE OF GROWTH OF PER CAPITA GROSS DOMESTIC PRODUCE OF THESE COUNTRIES WAS NOT MUCH ABOVE 2.5 PERCENT. MANY DEVELOPING COUNTRIES EXPERIENCED MUCH LOWER RATES THAN THESE AVERAGES. THE LEAST DEVELOPED COUNTRIES, IN PARTICULAR, CONTINUED TO EXPERIENCE SERIOUS DIFFICULTIES IN THIS REGARD.

UNFAVOURABLE WEATHER AGGRAVATED THE STRUCTURAL DEFICIENCIES OF THE AGRICULTURAL SECTOR. AGRICULTURAL PRODUCTION SUFFERED A SERIOUS SET-BACK IN A LARGE NUMBER OF DEVELOPING COUNTRIES. THE ANNUAL EXPANSION

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IN 1971 WAS FAR BELOW THE TARGET OF 4 PERCENT SPECIFIED IN THE STRATEGY AND IN 1972 IT SUFFERED A DECLINE.

INDUSTRIAL OUTPUT EXPANDED AT A RATE NOT FAR SHORT OF THE TARGET OF 8 PERCENT SUGGESTED IN THE STRATEGY.

THE INDUSTRIAL BASE IS, HOWEVER, STILL SMALL IN MOST DEVELOPING COUNTRIES FOR SELF-SUSTAINED EXPANSION. MOREOVER, THE LINKAGES BETWEEN INDUSTRY AND OTHER SECTORS OF THE ECONOMY REMAIN FAR FROM ADEQUATELY DEVELOPED.

THE QUANTUM OF BOTH EXPORTS AND IMPORTS OF DEVELOPING COUNTRIES EXPANDED AT AN ANNUAL RATE SIGNIFICANTLY BELOW THE TARGET OF AROUND 7 PERCENT SPECIFIED IN THE STRATEGY. THE RATE OF INCREASE IN EXPORTS WAS IN FACT SIGNIFICANTLY LOWER THAN THAT ACHIEVED IN THE PAST DECADE.

REDISTRIBUTION OF INCOME HAS NOT MADE SUFFICIENT PROGRESS IN MANY DEVELOPING COUNTRIES. UNEMPLOYMENT CONTINUES TO LOOM LARGE. EDUCATIONAL AND HEALTH FACILITIES ARE INCREASING BUT ARE STILL FAR SHORT OF NEEDS. HOUSING SHORTAGES REMAIN ACUTE. MALNUTRITION IS WIDESPREAD. ALL THESE ELEMENTS HAVE EXACERBATED THE PROBLEM OF MASS POVERTY IN MANY DEVELOPING COUNTRIES.

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#-/ QUANTITATIVE STATEMENTS ARE BASED ON THE PROVISIONAL DATA CONTAINED IN WORLD ECONOMIC SURVEY, 1972 (E/5310) AND ON PROJECTIONS RELATING TO POPULATION WHICH SUGGEST AN ANNUAL RATE OF INCREASE IN THE POPULATION OF DEVELOPING COUNTRIES OF OVER 2.5 PERCENT. END QUOTE.

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